

## Testimony Bart Russell, Executive Director Connecticut Council of Small Towns (COST) Before the Planning & Development Committee March 2, 2011

Re: HB-5580 - AN ACT ESTABLISHING A STATE-WIDE MILL RATE FOR THE TAXATION OF MOTOR VEHICLES AND AMENDING THE DEFINITION OF ANTIQUE, RARE OR SPECIAL INTEREST MOTOR VEHICLE.

The Connecticut Council of Small Towns (COST) opposes the provisions in HB-5580, which seeks to establish a statewide mill rate. Setting a state wide mil rate with phase-ins undermines the ability of towns to set mill rates that will generate sufficient revenue to maintain town budgets. This will result in greater expense for our small towns and cities and may diminish needed revenue sources. We therefore urge you to reject this provision.

In addition, although we appreciate the intent of the bill to narrow the definition of antique care for purposes of tax assessment, the current threshold is far too low and should be increased. The current tax system for antique cars sets a limit on the assessment of these vehicles at \$500.00. If a town's mil rate was 20.16, an owner of an antique car would pay only \$10.08. Some of the antique cars currently housed in communities have values from \$60,000 to over a million. A \$500 set assessment is simply inequitable. A more reasonable assessment of vehicles needs to be addressed.